



# STATE OF WISCONSIN

## DEPARTMENT OF ADMINISTRATION

Tony Evers, Governor  
Joel Brennan Secretary  
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**Date:** December 2021

**To:** Division of Enterprise Technology (DET) Customers

**Reference:** DET Budget Guidance Communications for Fiscal Year 2023

This is the mid-year budget guidance rate communication document for expected changes to DET's rates and services. Typically, this communication addresses rates that are effective at the start of the new fiscal year. However, like last year, DET is announcing rate reductions that will occur January 1, 2022 while continuing to work on estimating anticipated rate changes (less impactful services) that will be announced in May, 2022 and will become effective July 1, 2022. These guidelines are published to ensure that customers have adequate time to adjust their financial forecasts to meet their agencies' program and strategic goals.

Last year, DET reduced service rates to several different services on January 1, 2021 and again on July 1, 2021. As a result, both customer and enterprise service consumption increased as expenses decreased. To ensure that we continue to avoid over-recovering our costs, we will be reducing several high-impact/high-utilization service rates again effective January 1, 2022. There are several other service rates detailed below that will also see reductions.

The full economic impact that COVID-19 will have on the State, its resources, and its short and long-term IT strategies and goals is still unknown. Due to this uncertainty, DET has been conducting on-going reviews of its rates, services, and service objectives to ensure that we continue to develop and maintain efficient and effective information technology services in collaboration with all of our customers. These reviews will continue throughout the next fiscal year, and beyond. Beginning last spring and through the fall of 2021, DET conducted rate reviews on all its high utilization/high impact services and will continue in the upcoming fiscal years to do so.

Additional documentation will be sent to all DET's customers after the first of the year to describe DOA's developing Shared Enterprise Infrastructure (SEI) assessments, which will be managed by DOA's Bureau of Financial Management (BFM).

### Rate Changes

- **Distributed Storage – effective January 1, 2022 (reduced 30%):** Last year, DET reduced Distributed Storage rates twice. On January 1, 2021 Distributed Storage the rates dropped from 5 to 10 percent and again on July 1, 2021 they were dropped an additional 10 percent for File Hosting and Remote storage and up to 17 percent for Primary and Backup storage. DET's automation efforts for storage and server management in Cherwell have been operational since July, 2020. As a result of all these

efforts and activities, we have seen adequate stabilization and recovery from the Distributed Storage line of business. Consequently, we will be dropping storage rates effective January 1, 2022 by the following types and percentages:

**Distributed Storage rates effective January 1, 2022 (reduced 30%):**

Storage Rates (Per GB)	Current rates	Percent of rate reduction	January 1, 2022 rate
Primary	\$ 0.29	30%	\$ 0.20
Backup	\$ 0.23	30%	\$ 0.16
File Hosting	\$ 0.09	30%	\$ 0.06
Remote location	\$ 0.09	30%	\$ 0.06

- Distributed Servers (Compute rates) – effective January 1, 2022 (reduced 10%):** This line of business with last year's rate reductions continues the trend of over-recovering revenue. We will be dropping the compute rates associated with server subscription services effective January 1, 2022 by 10%. A reduction in Distributed Server rates will impact AMAS virtual server vCPU and vRAM rates, virtual appliance vCPU and vRAM rates, and AMAS physical server rates. This rate reduction will also have a direct impact on all services that use these values to calculate recovery costs, such as the SQL Server service, the WebSphere service, and the IIS service as seen in the table below. Because each customer subscription associated with these services includes compute resources and its costs, any reduction in compute resources will also reduce the monthly cost of each of those subscriptions.

**Compute Rates effective January 1, 2022 (reduced 10%):**

Distributed Server Services		Physical Base	Physical Enhanced	CPU Base Support	CPU Enhanced Support	RAM Base Support (1 GB=1024 MB)	RAM Enhanced Support (1 GB=1024 MB)
	Services						
AMAS	Virtual Server			\$36.27	\$43.52	\$10.82	\$12.98
	Virtual Appliance			\$20.54	\$24.65	\$6.14	\$7.37
	Virtual Remote			\$43.52	\$52.23	\$2.98	\$15.57
Physical	AMAS Physical	\$723.9	\$868.68				
DB	SQL Virtual Server			\$36.27	\$43.52	\$10.82	\$12.98
Application	IIS Server Virtual			\$36.27	\$43.52	\$10.82	\$12.98
	WebSphere Virtual			\$36.27	\$43.52	\$10.82	\$12.98

- **Mainframe CPU rates – effective January 1, 2022 (reduced 5%):** The Mainframe CPU line of business is on trend to over recover its costs this fiscal year, which warrants a rate reduction of 5 percent. There are four Mainframe CPU services that will be reduced (see the table below). The remaining Mainframe CPU service rate that will not be reduced is the one associated with Mainframe CPU Batch Weekend. That will continue at its current rate (\$0.1101 per second).

**Mainframe CPU Rates Effective January 1, 2022 (reduced 5%):**

Mainframe CPU	Current rates	Percent of rate reduction	January 1, 2022 rate
Per Second			
Online System Rate (CICS, DB2, IMS, TSO daily)	\$0.03086	5%	\$ 0.02932
Batch Prime Rate	\$0.02324	5%	\$ 0.02208
Batch Non-Prime Rate	\$0.01389	5%	\$ 0.01320
Batch Priority Rate	\$0.02708	5%	\$ 0.02573

- **Mainframe Storage rates – effective January 1, 2022 (reduced 50%):** The Mainframe Storage line of business is on trend to over-recover its costs this fiscal year at its current rate. To that end, we will be dropping several of the storage rates beginning January 1, 2022 by 50 percent. Reducing this rate also accomplishes our intent of bringing Mainframe Storage rates within range of our Distributed Storage rates. In addition, beginning July 1, 2022, Mainframe Storage reporting will reflect storage consumption metrics in gigabytes rather than megabytes. This is also consistent with how Distributed Storage reports utilization and consumption metrics.

**Mainframe Storage Rates Effective January 1, 2022 (reduced 50%):**

Mainframe Storage	Current rates	Percent of rate reduction	January 1, 2022 rate
Per Megabyte (MB)			
Primary	\$0.00040793	50%	\$ 0.00020397
Tape Storage	\$0.00001119	50%	\$ 0.00000560
SMS Backup Allocation	\$0.00001119	50%	\$ 0.00000560

**Other Service and Rate Changes for FY22 and FY23**

- **Agency Local Area Network rates – effective this fiscal year, FY22:** Last fiscal year, DET reduced the Agency LAN port rate 37 percent. A small mid-year reduction will be made to ensure that the service remains in a cost-recovery position.

**Agency Local Area Network rates effective January 1, 2022 (reduced 5%):**

Agency LAN Ports	Current rates	Percent of rate reduction	January 1, 2022 rate
Per Port			
	\$ 4.89	5%	\$ 4.65

- **Mobile Device Management (MDM) rates – effective this fiscal year, FY22:** MDM provides a centralized delegated management environment through which agency customers can control the use of ActiveSync-enabled devices connecting to the Enterprise Email service. This mid-year reduction will be made to ensure that the service remains in a cost-recovery position.

**Mobile Device Management Rates Effective January 1, 2022 (reduced 50%):**

MDM	Current rates	Percent of rate reduction	January 1, 2022 rate
Per Device			
Enterprise Participation	\$ 6.96	50%	\$ 3.48

- **Non-standard and sunset services:** DET has been applying a 20% rate increase to non-standard and sunset services that are technically vulnerable, end-of-support, and/or that result in additional support costs. This 20% rate increase has been applied to services that are defined by this policy. The table below represents a tracker of products and services that have been identified as non-standard or are expected to fall into the non-standard or sunset categories within the next fiscal year with potential upcharges going into effect on the identified date(s).

This link provides guidance on DET's Policy for [One-Off IT Requests](#):

**Products that will have sunset rates applied:**

Product/Service	Sunset Date
Oracle Instance Enterprise Service	January 1, 2022

**Listed below are all the items for which sunset rates were applied in previous years:**

Product/Service	Sunset Date
SharePoint 2013	January 1, 2021
SUSE Linux SLES 11	July 1, 2021
Red Hat Linux 6.x	July 1, 2021
Oracle database version 11g	July 1, 2020
MS Windows 2008* (see below)	July 1, 2020
MS SQL 2005/2008	July 1, 2020
MS Windows 2003	July 1, 2019
GIS	Complete
Mediasite	Complete

## Ongoing Documentation

The Bureau of Business Services (BBS) has many sources of ongoing information for our customers to assist with reviewing the services provided by DET. Please see the following areas for more information.

- Additional Resources:
  - <https://detcc.wi.gov/businessplanning/Pages/BP-Home.aspx>

Please contact [DETBusinessServices@wisconsin.gov](mailto:DETBusinessServices@wisconsin.gov) with any questions you may have regarding this communication.

Thanks!



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